

**EVANGELINE PARISH WARD ONE  
FIRE DISTRICT NO. 2**

**Financial Report**

**Year Ended December 31, 2010**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date

8/17/11

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**JOHN S. DOWLING & COMPANY**  
A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

John S. Dowling, CPA  
1904-1984  
John Newton Stout, CPA  
1936-2005

Retired

Harold Dupre, CPA  
1996  
Dwight Ledoux, CPA  
1998  
Joel Lanclos, Jr., CPA  
2003  
Russell J. Stelly, CPA  
2005

**INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Evangeline Parish Ward One Fire District No. 2  
Ville Platte, Louisiana

We have audited the accompanying financial statements of the governmental activities and the major fund of the Evangeline Parish Ward One Fire District No. 2 (Fire District), a component unit of the Evangeline Parish Police Jury, as of and for the year ended December 31, 2010, which collectively comprise the Fire District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Fire District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of Evangeline Parish Ward One Fire District No. 2 (Fire District), as of December 31, 2010 and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated June 28, 2011, on our consideration of Evangeline Parish Ward One Fire District No. 2's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of our audit.

To the Board of Directors  
Evangeline Parish Ward One Fire District No. 2  
Page 2

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 22 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Evangeline Parish Ward One Fire District No. 2 has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Fire District's financial statements as a whole. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

  
Opelousas, Louisiana  
June 28, 2011

## **BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS (GWFS)**

Evangeline Parish Ward One Fire District No. 2  
Ville Platte, Louisiana

Statement of Net Assets  
December 31, 2010

ASSETS

Current assets:	
Cash and interest-bearing deposits	\$ 442,056
Receivables, net	613,233
Prepaid expense	<u>28,040</u>
Total current assets	1,083,329
Noncurrent assets:	
Capital assets, net	<u>831,522</u>
Total assets	<u>1,914,851</u>

LIABILITIES

Current liabilities:	
Accounts and other payables	7,251
Accrued interest	1,524
Capital lease	41,216
Certificates of indebtedness	<u>22,000</u>
Total current liabilities	<u>71,991</u>
Noncurrent liabilities:	
Capital lease	61,300
Certificates of indebtedness	<u>125,000</u>
Total noncurrent liabilities	<u>186,300</u>
Total liabilities	<u>258,291</u>

NET ASSETS

Invested in capital assets, net of related debt	582,006
Unrestricted	<u>1,074,554</u>
Total net assets	<u>1,656,560</u>

The accompanying notes are an integral part of the basic financial statements.

Evangeline Parish Ward One Fire District No. 2  
Ville Platte, Louisiana

Statement of Activities  
For the Year Ended December 31, 2010

Expenses:	
Public safety	\$ 442,995
Interest on long-term debt	<u>12,488</u>
Total governmental activities expenses	<u>455,483</u>
General revenues:	
Ad valorem taxes	608,743
State revenue sharing	42,320
Fire insurance rebate	30,267
Interest and investment earnings	<u>277</u>
Total general revenues	<u>681,607</u>
Change in net assets	226,124
Net assets, January 1, 2010	<u>1,430,436</u>
Net assets, December 31, 2010	<u>1,656,560</u>

The accompanying notes are an integral part of the basic financial statements.



**FUND FINANCIAL STATEMENTS (FFS)**

Evangeline Parish Ward One Fire District No. 2  
Ville Platte, Louisiana

Balance Sheet  
Governmental Fund - General Fund  
December 31, 2010

ASSETS

Cash and interest-bearing deposits	\$ 442,056
Receivables, net	613,233
Prepaid expense	<u>28,040</u>
Total assets	<u>1,083,329</u>

LIABILITIES AND FUND BALANCE

Liabilities:	
Accounts payable	\$ 6,984
Accrued liabilities	<u>267</u>
Total liabilities	7,251
Fund balance:	
Unreserved, undesignated	<u>1,076,078</u>
Total liabilities and fund balance	<u>1,083,329</u>

The accompanying notes are an integral part of the basic financial statements.

Evangeline Parish Ward One Fire District No. 2  
Ville Platte, Louisiana

Reconciliation of the Governmental Fund Balance Sheet  
to the Statement of Net Assets  
December 31, 2010

Total fund balance for the governmental fund at December 31, 2010		\$1,076,078
Cost of capital assets at December 31, 2010	\$1,932,817	
Less: Accumulated depreciation	<u>(1,101,295)</u>	831,522
Long-term liabilities at December 31, 2010:		
Accrued interest payable	(1,524)	
Capital leases payable	(102,516)	
Certificates of Indebtedness payable	<u>(147,000)</u>	<u>(251,040)</u>
Total net assets of governmental activities at December 31, 2010		<u>1,656,560</u>

The accompanying notes are an integral part of the basic financial statements.

Evangeline Parish Ward One Fire District No. 2  
Ville Platte, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance  
Governmental Fund - General Fund  
For the Year Ended December 31, 2010

Revenues:	
Ad valorem tax	\$ 608,743
State revenue sharing	42,320
Fire insurance rebate	30,267
Interest income	277
Total revenues	<u>681,607</u>
Expenditures:	
Current -	
Advertising	1,384
Fuel	11,829
Insurance	28,083
Miscellaneous	1,658
Office	1,045
Pension expense	19,604
Professional fees	8,225
Rent	2,341
Repairs and maintenance	41,308
Salaries and related benefits	191,069
Supplies	9,857
Telephone	1,852
Training	648
Uniforms	6,308
Utilities	7,278
Capital Outlay	196,548
Debt Service -	
Principal retirement	60,142
Interest	12,680
Total expenditures	<u>601,859</u>
Net change in fund balance	79,748
Fund balance, beginning	<u>996,330</u>
Fund balance, ending	<u>1,076,078</u>

The accompanying notes are an integral part of the basic financial statements.

Evangeline Parish Ward One Fire District No. 2  
Ville Platte, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balance of the Governmental Fund  
to the Statement of Activities  
For the Year Ended December 31, 2010

Total net change in fund balance for the year ended December 31, 2010 per Statement of Revenues, Expenditures and Changes in Fund Balance	\$ 79,748
Capital outlay which is considered expenditures on Statement of Revenues, Expenditures and Changes in Fund Balance	196,548
Depreciation expense for year ended December 31, 2010	(110,506)
Bond principal retirement and capital lease principal payments	60,142
Difference between interest on long-term debt on modified accrual basis versus interest on long-term debt on accrual basis	<u>192</u>
Total change in net assets at December 31, 2010 per Statement of Activities	<u>226,124</u>

The accompanying notes are an integral part of the basic financial statements.

EVANGELINE PARISH WARD ONE FIRE DISTRICT NO. 2  
Ville Platte, Louisiana

Notes to the Basic Financial Statements

(1) Summary of Significant Accounting Policies

The accompanying financial statements of the Evangeline Parish Ward One Fire District No. 2 (Fire District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this note.

Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:513 and to the industry audit guide, Audits of State and Local Governments.

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

The Evangeline Parish Ward One Fire District No. 2 (hereafter referred to as the "Fire District") has been created by and in accordance with provisions of Part I, Chapter 7, Title 40 of the Louisiana Revised Statutes of 1950 for the purpose of fire protection in the Evangeline Parish area. The Fire District is a component unit of the Evangeline Parish Police Jury. The Fire District's board consists of members who are appointed by the Evangeline Parish Police Jury and serve four year terms. Board members receive no compensation.

This report includes all funds, which are controlled by or dependent on the Fire District and legislative branches (the President and Board of Commissioners). Control by or dependence on the Fire District was determined on the basis of general oversight responsibility.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net assets and statement of activities display information about the reporting government as a whole. They include the fund of the reporting entity, which is considered to be a governmental activity.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Fire District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

EVANGELINE PARISH WARD ONE FIRE DISTRICT NO. 2  
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (continued)

Fund Financial Statements (FFS)

The accounts of the Fire District are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The fund of the Fire District is classified as a governmental fund. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The major fund of the Fire District is described below:

Governmental Fund -

General Fund

The General Fund, as provided by Louisiana Revised Statute 13:781, is the principal fund of the Fire District and is used to account for the operations of the Fire District's office. The various fees and charges due to the Fire District's office are accounted for in this fund. General operating expenditures are paid from this fund.

EVANGELINE PARISH WARD ONE FIRE DISTRICT NO. 2  
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (continued)

C. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide statement of net assets and the statement of activities, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery) and financial position. All assets and liabilities (whether current or noncurrent) associated with its activities are reported. Government-wide fund equity is classified as net assets. In the fund financial statements, the "current financial resources" measurement focus is used. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of the period.

Basis of Accounting

In the government-wide statement of net assets and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues are classified by source and expenditures are classified by function and character. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

When both restricted and unrestricted resources are available for use, it is the Fire District's policy to use restricted resources first, then unrestricted resources as they are needed.



EVANGELINE PARISH WARD ONE FIRE DISTRICT NO. 2  
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities and Equity

Cash and interest-bearing deposits

For purposes of the statement of net assets, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Fire District.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Major receivable balances for the governmental activities include ad valorem taxes and state revenue sharing.

Prepaid Items

Payments made to vendors for services that will benefit future periods beyond December 31, 2010, are recorded as prepaid items.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Fire District maintains a threshold level of \$5,000 or more for capitalizing capital assets. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Furniture, fixtures and equipment	5-15 years
Buildings and improvements	40 years

EVANGELINE PARISH WARD ONE FIRE DISTRICT NO. 2  
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (continued)

Long-term debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements. All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of the certificates of indebtedness and capital leases payable.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest reported as expenditures. The accounting for proprietary fund long-term debt is the same in the fund statements as it is in the government-wide statements.

Equity Classifications

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

In the fund statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

E. Budgetary and Budgetary Accounting

A budget for the General Fund was prepared on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts are as originally prepared or as amended by the Fire District. All budgetary appropriations lapse at the end of each fiscal year.

EVANGELINE PARISH WARD ONE FIRE DISTRICT NO. 2  
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

(1) Summary of Significant Accounting Policies (continued)

F. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

G. Other Post-Employment Benefits (OPEB)

The Fire District does not provide any post-employment benefits to retirees and therefore is not required to report under GASB Statement No. 45, Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions.

(2) Cash and Interest-Bearing Deposits

Under state law, the Fire District may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Fire District may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2010, the Fire District has cash and interest-bearing deposits (book balances) totaling \$442,056 as follows:

Non-interest bearing deposits	\$ 437,732
Interest-bearing deposits	<u>4,324</u>
Total	<u>442,056</u>

Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Fire District's deposits may not be recovered or will not be able to recover collateral securities that are in the possession of an outside party. These deposits are stated at cost, which approximates market. Under state law these deposits (or the resulting bank balances) must be secured by federal deposit insurance or similar federal security or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. As of December 31, 2010, bank balances in the amount of \$489,239 were secured in total by federal deposit insurance. The Fire District does not have a policy for custodial credit risk.

EVANGELINE PARISH WARD ONE FIRE DISTRICT NO. 2  
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

(3) Capital Assets

Capital asset balances and activity for the year ended December 31, 2010 are as follows:

	Balance 1/1/2010	Additions	Deletions	Balance 12/31/2010
Furniture, fixtures and equipment	\$1,498,240	\$196,548	\$ -	\$1,694,788
Land	7,000	-	-	7,000
Improvements	231,029	-	-	231,029
Total capital assets	1,736,269	196,548	-	1,932,817
Less: Accumulated depreciation	990,789	110,506	-	1,101,295
Net capital assets	745,480	86,042	-	831,522

Depreciation expense of \$110,506 was charged to the public safety function for the year ending December 31, 2010.

(4) Ad Valorem Taxes

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. Taxes are levied in September or October and billed to the taxpayers by the Evangeline Parish Sheriff in December. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year. The taxes are based on assessed values determined by the Evangeline Parish Assessor and are collected by the Sheriff.

For the year ended December 31, 2010, taxes were levied at the rate of 11.29 mills on property with assessed valuations totaling \$53,667,570.

Total taxes levied during 2010 were \$605,912. Taxes receivable at December 31, 2010 were \$585,944 net of an allowance for uncollectible taxes of \$1,130.

(5) Changes in Long-Term Debt

The following is a summary of the long-term obligation transactions during the year:

	Certificates of Indebt.	Capital lease
Long term obligations payable, December 31, 2009	\$168,000	\$141,658
Increases	-	-
Decreases	(21,000)	(39,142)
Long term obligations payable, December 31, 2010	147,000	102,516

EVANGELINE PARISH WARD ONE FIRE DISTRICT NO. 2  
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

(5) Changes in Long-Term Debt (continued)

Long-term debt at December 31, 2010 is comprised of the following:

\$168,000 Certificates of Indebtedness, Series 2009, dated March 26, 2009, due in annual installments of \$22,000 - \$27,000 through March 1, 2016, interest at 3.6%, secured by an irrevocable pledge and dedication of the funds to be derived from the levy and collection of special taxes \$ 147,000

The Fire District is obligated under two capital leases as of December 31, 2010. The leased assets are accounted for in capital assets at a cost of \$371,139. \$ 102,516

The certificates of indebtedness and capital lease are due as follows:

Year ending December 31,	Certificates of Indebtedness		Capital Leases	
	Principal payments	Interest payments	Principal payments	Interest payments
2011	\$ 22,000	\$ 4,266	\$ 41,216	\$ 5,746
2012	23,000	3,636	19,290	3,562
2013	24,000	2,970	20,412	2,441
2014	25,000	2,268	21,598	1,255
2015	26,000	1,440	-	-
2016	27,000	486	-	-
	<u>147,000</u>	<u>15,066</u>	<u>102,516</u>	<u>13,004</u>

(6) Risk Management

The Fire District is exposed to risks of loss in the areas of auto and property liability and workers' compensation. All of these risks are handled by purchasing commercial insurance coverage. There have been no significant reductions in the insurance coverage during the year.

(7) Litigation

There is no litigation pending against the Fire District at December 31, 2010.

(8) Board Members

Board members do not get paid for serving on the board. A list of board members as of December 31, 2010 is as follows:

James P. Soileau  
Daniel P. McDaniel  
Grant Soileau  
Eddie Goudy  
Steve Thibodeaux

EVANGELINE PARISH WARD ONE FIRE DISTRICT NO. 2  
Ville Platte, Louisiana

Notes to the Basic Financial Statements (Continued)

(9) Salary Reimbursements

The City of Ville Platte pays the salaries, health insurance and retirement for the employees of the Fire District. The Fire District reimburses the City of Ville Platte for a portion of these expenses. Reimbursements made to the City of Ville Platte for 2010 totaled \$187,200. The City of Ville Platte makes contributions to the Municipal Employees Retirement Center of Louisiana for the employees of the Fire District.

(10) Subsequent Event Review

The management of the Fire District has evaluated subsequent events through June 28, 2011, the date which the financial statements were available to be issued. As of that date, there were no subsequent events noted.

**REQUIRED  
SUPPLEMENTARY INFORMATION**

Evangeline Parish Ward One Fire District No. 2  
Ville Platte, Louisiana

Budgetary Comparison Schedule  
General Fund  
Year Ended December 31, 2010

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Ad valorem tax	\$ 525,000	\$ 525,000	\$ 608,743	\$ 83,743
State revenue sharing	40,000	40,000	42,320	2,320
Fire insurance rebate	28,000	28,000	30,267	2,267
Interest income	-	-	277	277
Total revenues	<u>593,000</u>	<u>593,000</u>	<u>681,607</u>	<u>88,607</u>
Expenditures:				
Current -				
Advertising	1,000	1,000	1,384	(384)
Fuel	15,000	15,000	11,829	3,171
Insurance	26,000	26,000	28,083	(2,083)
Miscellaneous	1,600	1,600	1,658	(58)
Office	-	-	1,045	(1,045)
Pension expense	10,000	10,000	19,604	(9,604)
Professional fees	4,000	4,000	8,225	(4,225)
Rent	-	-	2,341	(2,341)
Repairs and maintenance	40,000	40,000	41,308	(1,308)
Salaries and related benefits	192,200	192,200	191,069	1,131
Supplies	4,200	4,200	9,857	(5,657)
Telephone	1,000	1,000	1,852	(852)
Training	-	-	648	(648)
Uniforms	-	-	6,308	(6,308)
Utilities	13,500	13,500	7,278	6,222
Capital outlay	140,000	140,000	196,548	(56,548)
Debt Service -				
Principal retirement	60,142	60,142	60,142	-
Interest	22,858	22,858	12,680	10,178
Total expenditures	<u>531,500</u>	<u>531,500</u>	<u>601,859</u>	<u>(70,359)</u>
Excess of revenues over expenditures	61,500	61,500	79,748	18,248
Fund balance, beginning	<u>996,330</u>	<u>996,330</u>	<u>996,330</u>	-
Fund balance, ending	<u>1,057,830</u>	<u>1,057,830</u>	<u>1,076,078</u>	<u>18,248</u>



**INTERNAL CONTROL  
AND COMPLIANCE**

Chizal S. Fontenot, CPA  
James L. Nicholson, Jr., CPA  
G. Kenneth Pavy, II, CPA  
Michael A. Roy, CPA  
Lisa Trouille Manuel, CPA  
Dana D. Quebedeaux, CPA



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REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE  
AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors  
Evangeline Parish Ward One Fire District No. 2  
Ville Platte, Louisiana

We have audited the accompanying financial statements of the governmental activities and the major fund of Evangeline Parish Ward One Fire District No. 2 (Fire District), a component unit of the Evangeline Parish Police Jury, as of and for the year ended December 31, 2010, which collectively comprise the Fire District's basic financial statements and have issued our report thereon dated June 28, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Fire District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Fire District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Fire District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Fire District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that is required to be reported under Government Auditing Standards which are described in the accompanying Schedule of Findings and Responses as item 2010-1.

The Fire District's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Responses. We did not audit the Fire District's response and, accordingly, we express no opinion on it.

We noted a certain matter that we reported to management of the Fire District in a separate letter dated June 28, 2011.

This report is intended solely for the information and use of the Fire District, its Directors and the appropriate regulatory agency and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Opelousas, Louisiana  
June 28, 2011

EVANGELINE PARISH WARD ONE FIRE DISTRICT NO. 2  
VILLE PLATTE, LOUISIANA  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE YEAR ENDED DECEMBER 31, 2010

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the basic financial statements of Evangeline Parish Ward One Fire District No. 2
2. No significant deficiencies relating to the audit of the financial statements are reported in the Report on Internal Control over Financial Reporting and on Compliance and on other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
3. One instance of noncompliance material to the financial statements of Evangeline Parish Ward One Fire District No. 2 was disclosed during the audit.
4. There was no single audit required under OMB Circular A-133.

B. 2010 FINANCIAL STATEMENT FINDINGS – AUDIT

INTERNAL CONTROL

None

COMPLIANCE

2010-1 Budget Amendment

Condition: The budget was not properly amended for the General Fund.

Criteria: The Louisiana Local Government Budget Act (RS 39:1310) states that the budget must be amended when actual expenditures exceed budgeted expenditures by 5 percent or more.

Cause: The budget was not properly amended.

Effect: Actual expenditures exceeded budgeted expenditures in the General Fund by \$70,359 which is a variance of 13.2 percent.

Response: In the future, the Fire District will follow all requirements of the Louisiana Local Government Budget Act.

EVANGELINE PARISH WARD ONE FIRE DISTRICT NO. 2  
VILLE PLATTE, LOUISIANA  
SCHEDULE OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2010

SECTION I - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

2009-1 Budget Amendment

Repeat Comment

2009-2 Budget Amendment

No longer applicable.

SECTION II - INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

No findings.

SECTION III - MANAGEMENT LETTER

No findings.

Chizal S. Fontenot, CPA  
James L. Nicholson, Jr., CPA  
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To the Board of Directors  
Evangeline Parish Ward One Fire District No. 2

We have audited the financial statements of the governmental activities and each major fund of the Evangeline Parish Ward One Fire District No. 2 (Fire District) for the year ended December 31, 2010. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and Government Auditing Standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated November 23, 2010. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Fire District are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2010. We noted no transactions entered into by the Fire District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was depreciation.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial and communicate them to the appropriate level of management. Management has corrected all such misstatements. None of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

To the Board of Directors  
Evangeline Parish Ward One Fire District No. 2  
Page 2

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Fire District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the management of Evangeline Parish Ward One Fire District No. 2 (Fire District) and is not intended to be and should not be used by anyone other than a member of management.

Very truly yours,

  
JOHN S. DOWLING & COMPANY